

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6754

BILL NUMBER: HB 1116

DATE PREPARED: Mar 22, 2001

BILL AMENDED: Mar 22, 2001

SUBJECT: False alarm charges.

FISCAL ANALYST: Chris Baker

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FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: (Amended) The bill authorizes townships, fire protection territories, fire protection districts, and volunteer fire departments to impose false alarm fees or service charges. It provides that an alarm company is liable for the payment of the false alarm fee or service charge, if the owner of the property that constitutes the owner's residence establishes that the alarm is under a maintenance contract and the alarm company has been notified of the improper installation or maintenance. (The introduced version of this bill was prepared by the Local Government Finance Study Commission.)

Effective Date: July 1, 2001.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: There may be additional administrative costs involved for new forms needed in the recording and processing of fees collected by township boards and/or fire units.

Explanation of Local Revenues: With the provisions of the bill, a township, fire protection territory, fire district, or volunteer fire department may charge a fee when responding to a false alarm or drill where the responding department was not notified in advance. (In Indianapolis, Indiana, Sec 951-425 Indianapolis Code allows charging of fees against a place of business or residence on the third false alarm responded to within a calendar year. The fees that may be charged include \$100 per piece of equipment responding, and \$50 per supervisor vehicle responding.)

There are approximately 766 townships, fire protection territories, fire districts, and volunteer fire departments in Indiana that could impose fees for the response to false alarms under the provisions of the bill.

State Agencies Affected:

Local Agencies Affected: Townships, Fire Protection Territories, Fire Districts, and Volunteer Fire Departments.

Information Sources: Steve Buschmann, Representing the Township Trustee Association; Office of the State Fire Marshall.